

Frequently Used Capital Subsidy Programs for Affordable Housing Projects

Income Levels	% of Area Median Income (AMI) Limits for 1&4 person households in Los Angeles County	Non-City Sources	Depth of Subsidy	Supplemental City Funds Needed?	Notes
Extremely Low	30% of AMI or less \$13,770 & \$19,650 per year	9% tax credits	very deep	Likely	very competitive
		OR	very shallow	yes	
		tax exempt bonds & 4% tax credits & State MHP funds	moderate moderate	yes Likely	out of money in 2007
Very Low	50% of AMI or less \$22,950 & \$32,750 per year	same as above	same as above	same as above	
Low	80% of AMI or less \$36,700 & \$52,400 per year	tax exempt bonds	very shallow	Likely	suitable for ownership
Moderate	120% of AMI or less \$55,080 & \$78,600 per year (note: Some programs have a different income limit for 120% of AMI.)	tax exempt bonds	very shallow	maybe, depends on land & construction costs	suitable for ownership only
		CalFHA programs State BEGIN funds	very shallow shallow	downpayments 2nd trust deeds	out of money in 2007

Efforts to Increase Subsidy Support to Affordable Housing:

National Housing Trust Fund	www.nhtf.org
California Housing Trust Fund	www.housingca.org/trustfund.htm
Local Housing Trust Funds	www.nlihc.org/advocates/htfs.htm

Efforts to Increase Affordable Housing via the Private Market:

Inclusionary Zoning requires market rate housing to include a percentage of affordable units
 Density Bonus gives more density and incentives to market rate housing to include affordable units
 (recent state law SB1818 confers additional incentives to market rate developers.)

www.hcd.ca.gov/hpd/inclusionary.pdf
www.hcd.ca.gov/hpd/hrc/tech/bonus.pdf

Efforts to Rationalize Land Use for More Livable Places and Affordable Housing:

Livable Places	www.livableplaces.org
Los Angeles City Building Healthy Communities 101	www.lacity.org/lahtd/curriculum

prepared by:	Community Corporation of Santa Monica	www.communitycorp.org
prepared for:	Southern California Association of Government 5th Annual Regional Housing Summit (April 21, 2005)	